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## NOTICE OF ALLOWANCE AND FEE(S) DUE

50170 7590 02/06/2009

IBM CORP. (WIP)  
c/o WALDER INTELLECTUAL PROPERTY LAW, P.C.  
17330 PRESTON ROAD  
SUITE 100B  
DALLAS, TX 75252

EXAMINER

JARRETT, SCOTT L

ART UNIT

PAPER NUMBER

3624

DATE MAILED: 02/06/2009

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/660,012

09/11/2003

John Arthur Ricketts

AUS920030678US1

5895

TITLE OF INVENTION: SIMULATION OF BUSINESS TRANSFORMATION OUTSOURCING

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	\$1510	\$300	\$0	\$1810	05/06/2009

**THE APPLICATION IDENTIFIED ABOVE HAS BEEN EXAMINED AND IS ALLOWED FOR ISSUANCE AS A PATENT. PROSECUTION ON THE MERITS IS CLOSED. THIS NOTICE OF ALLOWANCE IS NOT A GRANT OF PATENT RIGHTS. THIS APPLICATION IS SUBJECT TO WITHDRAWAL FROM ISSUE AT THE INITIATIVE OF THE OFFICE OR UPON PETITION BY THE APPLICANT. SEE 37 CFR 1.313 AND MPEP 1308.**

**THE ISSUE FEE AND PUBLICATION FEE (IF REQUIRED) MUST BE PAID WITHIN THREE MONTHS FROM THE MAILING DATE OF THIS NOTICE OR THIS APPLICATION SHALL BE REGARDED AS ABANDONED. THIS STATUTORY PERIOD CANNOT BE EXTENDED. SEE 35 U.S.C. 151. THE ISSUE FEE DUE INDICATED ABOVE DOES NOT REFLECT A CREDIT FOR ANY PREVIOUSLY PAID ISSUE FEE IN THIS APPLICATION. IF AN ISSUE FEE HAS PREVIOUSLY BEEN PAID IN THIS APPLICATION (AS SHOWN ABOVE), THE RETURN OF PART B OF THIS FORM WILL BE CONSIDERED A REQUEST TO REAPPLY THE PREVIOUSLY PAID ISSUE FEE TOWARD THE ISSUE FEE NOW DUE.**

### HOW TO REPLY TO THIS NOTICE:

#### I. Review the SMALL ENTITY status shown above.

If the SMALL ENTITY is shown as YES, verify your current SMALL ENTITY status:

A. If the status is the same, pay the TOTAL FEE(S) DUE shown above.

B. If the status above is to be removed, check box 5b on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and twice the amount of the ISSUE FEE shown above, or

If the SMALL ENTITY is shown as NO:

A. Pay TOTAL FEE(S) DUE shown above, or

B. If applicant claimed SMALL ENTITY status before, or is now claiming SMALL ENTITY status, check box 5a on Part B - Fee(s) Transmittal and pay the PUBLICATION FEE (if required) and 1/2 the ISSUE FEE shown above.

II. PART B - FEE(S) TRANSMITTAL, or its equivalent, must be completed and returned to the United States Patent and Trademark Office (USPTO) with your ISSUE FEE and PUBLICATION FEE (if required). If you are charging the fee(s) to your deposit account, section "4b" of Part B - Fee(s) Transmittal should be completed and an extra copy of the form should be submitted. If an equivalent of Part B is filed, a request to reapply a previously paid issue fee must be clearly made, and delays in processing may occur due to the difficulty in recognizing the paper as an equivalent of Part B.

III. All communications regarding this application must give the application number. Please direct all communications prior to issuance to Mail Stop ISSUE FEE unless advised to the contrary.

**IMPORTANT REMINDER: Utility patents issuing on applications filed on or after Dec. 12, 1980 may require payment of maintenance fees. It is patentee's responsibility to ensure timely payment of maintenance fees when due.**

# PART B - FEE(S) TRANSMITTAL

Complete and send this form, together with applicable fee(s), to: **Mail** **Mail Stop ISSUE FEE**  
**Commissioner for Patents**  
**P.O. Box 1450**  
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INSTRUCTIONS: This form should be used for transmitting the ISSUE FEE and PUBLICATION FEE (if required). Blocks 1 through 5 should be completed where appropriate. All further correspondence including the Patent, advance orders and notification of maintenance fees will be mailed to the current correspondence address as indicated unless corrected below or directed otherwise in Block 1, by (a) specifying a new correspondence address; and/or (b) indicating a separate "FEE ADDRESS" for maintenance fee notifications.

CURRENT CORRESPONDENCE ADDRESS (Note: Use Block 1 for any change of address)

Note: A certificate of mailing can only be used for domestic mailings of the Fee(s) Transmittal. This certificate cannot be used for any other accompanying papers. Each additional paper, such as an assignment or formal drawing, must have its own certificate of mailing or transmission.

50170 7590 02/06/2009

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## Certificate of Mailing or Transmission

I hereby certify that this Fee(s) Transmittal is being deposited with the United States Postal Service with sufficient postage for first class mail in an envelope addressed to the Mail Stop ISSUE FEE address above, or being facsimile transmitted to the USPTO (571) 273-2885, on the date indicated below.

(Depositor's name)
(Signature)
(Date)

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/660,012	09/11/2003	John Arthur Ricketts	AUS920030678US1	5895

TITLE OF INVENTION: SIMULATION OF BUSINESS TRANSFORMATION OUTSOURCING

APPLN. TYPE	SMALL ENTITY	ISSUE FEE DUE	PUBLICATION FEE DUE	PREV. PAID ISSUE FEE	TOTAL FEE(S) DUE	DATE DUE
nonprovisional	NO	\$1510	\$300	\$0	\$1810	05/06/2009

EXAMINER	ART UNIT	CLASS-SUBCLASS
JARRETT, SCOTT L	3624	705-008000

1. Change of correspondence address or indication of "Fee Address" (37 CFR 1.363).

- ☐ Change of correspondence address (or Change of Correspondence Address form PTO/SB/122) attached.
- ☐ "Fee Address" indication (or "Fee Address" Indication form PTO/SB/47; Rev 03-02 or more recent) attached. Use of a Customer Number is required.

2. For printing on the patent front page, list

- (1) the names of up to 3 registered patent attorneys or agents OR, alternatively, 1 \_\_\_\_\_
- (2) the name of a single firm (having as a member a registered attorney or agent) and the names of up to 2 registered patent attorneys or agents. If no name is listed, no name will be printed. 2 \_\_\_\_\_
- 3 \_\_\_\_\_

3. ASSIGNEE NAME AND RESIDENCE DATA TO BE PRINTED ON THE PATENT (print or type)

PLEASE NOTE: Unless an assignee is identified below, no assignee data will appear on the patent. If an assignee is identified below, the document has been filed for recordation as set forth in 37 CFR 3.11. Completion of this form is NOT a substitute for filing an assignment.

(A) NAME OF ASSIGNEE

(B) RESIDENCE: (CITY and STATE OR COUNTRY)

Please check the appropriate assignee category or categories (will not be printed on the patent): ☐ Individual ☐ Corporation or other private group entity ☐ Government

4a. The following fee(s) are submitted:

- ☐ Issue Fee
- ☐ Publication Fee (No small entity discount permitted)
- ☐ Advance Order - # of Copies \_\_\_\_\_

4b. Payment of Fee(s): (Please first reapply any previously paid issue fee shown above)

- ☐ A check is enclosed.
- ☐ Payment by credit card. Form PTO-2038 is attached.
- ☐ The Director is hereby authorized to charge the required fee(s), any deficiency, or credit any overpayment, to Deposit Account Number \_\_\_\_\_ (enclose an extra copy of this form).

5. Change in Entity Status (from status indicated above)

- ☐ a. Applicant claims SMALL ENTITY status. See 37 CFR 1.27. ☐ b. Applicant is no longer claiming SMALL ENTITY status. See 37 CFR 1.27(g)(2).

NOTE: The Issue Fee and Publication Fee (if required) will not be accepted from anyone other than the applicant; a registered attorney or agent; or the assignee or other party in interest as shown by the records of the United States Patent and Trademark Office.

Authorized Signature \_\_\_\_\_

Date \_\_\_\_\_

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This collection of information is required by 37 CFR 1.311. The information is required to obtain or retain a benefit by the public which is to file (and by the USPTO to process) an application. Confidentiality is governed by 35 U.S.C. 122 and 37 CFR 1.14. This collection is estimated to take 12 minutes to complete, including gathering, preparing, and submitting the completed application form to the USPTO. Time will vary depending upon the individual case. Any comments on the amount of time you require to complete this form and/or suggestions for reducing this burden, should be sent to the Chief Information Officer, U.S. Patent and Trademark Office, U.S. Department of Commerce, P.O. Box 1450, Alexandria, Virginia 22313-1450. DO NOT SEND FEES OR COMPLETED FORMS TO THIS ADDRESS. SEND TO: Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

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## Determination of Patent Term Adjustment under 35 U.S.C. 154 (b) (application filed on or after May 29, 2000)

The Patent Term Adjustment to date is 1082 day(s). If the issue fee is paid on the date that is three months after the mailing date of this notice and the patent issues on the Tuesday before the date that is 28 weeks (six and a half months) after the mailing date of this notice, the Patent Term Adjustment will be 1082 day(s).

If a Continued Prosecution Application (CPA) was filed in the above-identified application, the filing date that determines Patent Term Adjustment is the filing date of the most recent CPA.

Applicant will be able to obtain more detailed information by accessing the Patent Application Information Retrieval (PAIR) WEB site (<http://pair.uspto.gov>).

Any questions regarding the Patent Term Extension or Adjustment determination should be directed to the Office of Patent Legal Administration at (571)-272-7702. Questions relating to issue and publication fee payments should be directed to the Customer Service Center of the Office of Patent Publication at 1-(888)-786-0101 or (571)-272-4200.

<b>Notice of Allowability</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	10/660,012	RICKETTS, JOHN ARTHUR	
	<b>Examiner</b>	<b>Art Unit</b>	
	SCOTT L. JARRETT	3624	

**-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address--**

All claims being allowable, PROSECUTION ON THE MERITS IS (OR REMAINS) CLOSED in this application. If not included herewith (or previously mailed), a Notice of Allowance (PTOL-85) or other appropriate communication will be mailed in due course. **THIS NOTICE OF ALLOWABILITY IS NOT A GRANT OF PATENT RIGHTS.** This application is subject to withdrawal from issue at the initiative of the Office or upon petition by the applicant. See 37 CFR 1.313 and MPEP 1308.

1. ☒ This communication is responsive to amendments files 11/20/2008.
2. ☒ The allowed claim(s) is/are 1-7.
3. ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
  - a) ☐ All    b) ☐ Some\*    c) ☐ None    of the:
  1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\* Certified copies not received: \_\_\_\_.

Applicant has THREE MONTHS FROM THE "MAILING DATE" of this communication to file a reply complying with the requirements noted below. Failure to timely comply will result in ABANDONMENT of this application.  
**THIS THREE-MONTH PERIOD IS NOT EXTENDABLE.**

4. ☐ A SUBSTITUTE OATH OR DECLARATION must be submitted. Note the attached EXAMINER'S AMENDMENT or NOTICE OF INFORMAL PATENT APPLICATION (PTO-152) which gives reason(s) why the oath or declaration is deficient.
5. ☐ CORRECTED DRAWINGS ( as "replacement sheets") must be submitted.
  - (a) ☐ including changes required by the Notice of Draftsperson's Patent Drawing Review ( PTO-948) attached
    - 1) ☐ hereto or 2) ☐ to Paper No./Mail Date \_\_\_\_.
  - (b) ☐ including changes required by the attached Examiner's Amendment / Comment or in the Office action of Paper No./Mail Date \_\_\_\_.

**Identifying indicia such as the application number (see 37 CFR 1.84(c)) should be written on the drawings in the front (not the back) of each sheet. Replacement sheet(s) should be labeled as such in the header according to 37 CFR 1.121(d).**
6. ☐ DEPOSIT OF and/or INFORMATION about the deposit of BIOLOGICAL MATERIAL must be submitted. Note the attached Examiner's comment regarding REQUIREMENT FOR THE DEPOSIT OF BIOLOGICAL MATERIAL.

**Attachment(s)**

- |  |   |
|--|---|
| 1. <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 5. <input type="checkbox"/> Notice of Informal Patent Application                     |
| 2. <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 6. <input type="checkbox"/> Interview Summary (PTO-413),<br>Paper No./Mail Date ____. |
| 3. <input type="checkbox"/> Information Disclosure Statements (PTO/SB/08),<br>Paper No./Mail Date ____     | 7. <input type="checkbox"/> Examiner's Amendment/Comment                              |
| 4. <input type="checkbox"/> Examiner's Comment Regarding Requirement for Deposit<br>of Biological Material | 8. <input checked="" type="checkbox"/> Examiner's Statement of Reasons for Allowance  |
|  | 9. <input type="checkbox"/> Other ____.   |

/Scott L Jarrett/  
 Primary Examiner, Art Unit 3624

### **ALLOWANCE**

The following is an Allowance in response to Applicant's Amendment submitted on November 20, 2008. Applicant's amendment amended claims 1-7 and canceled claims 8-10, claims 11-24 being previously canceled. Claims 1-7 are pending and allowed herein.

### **REASONS FOR ALLOWANCE**

The following is an examiner's statement of reasons for allowance.

The present invention is directed to system and method for calculating at least one measure of economic value for a business transformation outsourcing service and to identify a net savings of transitioning from current information technology conditions (processes, technology) to outsourced information technology conditions (business transformation) by combining business benefits savings, processing savings and information technology costs computed through performing running benefits, process, business benefits, information technology, and value simulations over a plurality of simulation periods.

The closest prior art Remenyi et al., Outcomes and Benefits Modeling for Information Systems Investments (2001) and Ngwenyama et al., Make the Information Systems Outsourcing Decision (1999) and Boslij-Vuksic et al., Assessment of E-Business Transformation Using Simulation Modeling (2002) fail to teach or suggest

Art Unit: 3624

either singularly or in combination teach a method of simulation, performed by a computer, comprising:

- receiving, in the computer, for at least one business transformation outsourcing service, benefits inputs, process inputs, information technology inputs, and value inputs; based on said inputs, *performing, in the computer, a benefits simulation, a process simulation, an information technology simulation, and a value simulation*; and

- outputting, by the computer, at least one measure of economic value for said business transformation outsourcing service, wherein:

- the benefits simulation, process simulation, information technology simulation, and value *simulation have a plurality of periods of simulation, each period having either a current condition under which no outsourcing by the business transformation outsourcing service is performed, a transitional condition in which outsourcing is being put into place, or an outsourcing condition in which outsourcing by the business transformation outsourcing service is performed, and wherein there is at least one period having a current condition, at least one period having a transitional condition, and at least one period having an outsourcing condition,*

- the process simulation, based on the inputs, *computes both a number of transactions during each period of simulation, of the plurality of periods of simulation, and a corresponding process cost, based on a status of the particular period being under one of current conditions, transitional conditions, or during outsourcing conditions,*

- the process simulation utilizes a *flow model showing how transactions flow through sub-processes, wherein a rate at which information technology is substituted for*

*current processes, represented by a schedule, affects the computation of the number of transactions during a transitional condition period of simulation in the benefits simulation, process simulation, and information technology simulation, and the sub-processes through which the transactions flow in the flow model,*

- the business benefits simulation, based on the inputs, computes a business benefits savings,

- the information technology simulation simulates, based on the inputs, the tasks needed to design, build, implement, operate, and maintain new information technology to implement the outsourcing, and *computes a transformation cost for each period of simulation, of the plurality of periods of simulation, based on the status of the particular period being under one of current conditions, transitional conditions, or during outsourcing conditions,*

- the business benefits savings, processing savings, and information technology transformation costs are combined to identify a net savings of transitioning from current conditions to outsourcing conditions,

- the *value simulation simulates, based on the net savings and business financial input information, effects of transitioning from current conditions to outsourcing conditions, on a financial position of the business, and*

- the at least one measure of economic value for the business transformation outsourcing service is calculated based on the effects of transitioning from current conditions to outsourcing conditions on the financial position of the business

as recited in independent Claim 1.

Applicant's arguments, see Last Paragraph, Page 9; Paragraph 2, Page 10, filed November 20, 2008, with respect to Remenyi and Paragraph 2, Page 14 with respect to Ngwenyama et al., have been fully considered and are persuasive.

Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."



### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Iwasa et al., U.S. Patent No. 5,887,154, teach a system and method for simulating business processes using a computer.
- Jin et al., U.S. Patent No. 7,076,474, teach a system and method for business process simulation.
- Keefe et al., U.S. Patent Publication No. 2004/00445551, teach a system and method for identifying and determining cost savings due to outsourced business processes/services.
- Bonabeau, WO 03/056406 A2, teach a system and method for business modeling wherein various business models are simulation in order to improve business processes.
- Raffy et al., Using Simulation in the Business Process Reengineering Effort (1994), teach a method of modeling and simulation as-is and to-be processes in order to understand the benefits and impact the potential (reengineered) process could have on the business.
- Bradley et al., Business process re-engineering (BPR) - A Study of the software tools currently available (1995), teaches a plurality of well known systems and methods (tools) for simulation business process transformations (re-engineering) and that it is common for businesses to simulate current and new (to-be)

processes/technologies in order to better understand the costs, impacts, and benefits of such process transformations.

- Ellram et al., The Use of Total Cost Of Ownership Concepts to Model the Outsourcing Decision (1995), teach utilizing well known total cost of ownership analysis to modeling the cost implications of outsourcing business processes/services.

- Kim et al., Dynamic process modeling of BPR; A Computerized Simulation Approach (1997), teach a system and method for dynamically modeling through computer simulation current and new (transitioned) business processes/technologies including performance simulation (e.g. process cycle time, etc.).

- Ngwenyama et al., Making the information systems outsourcing decision: A transaction cost approach to analyzing outsourcing decision problems (1999), teaches a method, using a computer, for simulating/modeling different business service outsourcing strategies using well known transaction cost theory. The article further teaches that " The primary objective of managers making IS outsourcing decisions is to minimize total cost (service and transaction costs) and maximize total value to the firm."

- Yang et al., A decision model for IS outsourcing (2000), teaches a method for deciding which of a plurality of outsourcing strategies to pursue based on a model (simulation) of a plurality of outsourcing factors (Table 4) including transactions costs and cost savings.

- King et al., Developing a framework for analyzing IS sourcing (2000), teaches a method for simulating/modeling the short-term, mid-term and long-term impacts of

Art Unit: 3624

transitioning from current business processes/technologies to outsourced business processes/technologies.

- Boslij-Vuksic et al., Assessment of E-Business Transformation Using Simulation Modeling (2002), teaches a system and method for simulating, over a plurality of periods, the impact on a business of transforming/transitioning from a current technology/process (as-is) to an e-business technology/process (to-be) wherein the simulation includes process, cost, business benefit, information technology simulations as well as determine a net savings on the transformed/transitioned process. The article further teaches the well known use of business simulation in business re-engineering/renovation projects.

- Nemhard et al., A Real Options Design For Product Outsourcing (2003) teach a method for modeling and simulating, over a plurality of periods) the outsourcing of a business process/product using real options analysis.

- Greasley, Using business-process simulation within a business process reengineering approach (2003) teaches a method, using a computer, to simulate, over a plurality of periods, the impact on a business of transforming (reengineering) a business process wherein the simulation accounts for the number of transactions in a process, the cost per transaction and quantifies a potential savings of the new/transformed process. More specifically the article teaches that "the model shows the use of simulation not only to predict the performance of the "to-be" design before resources are committed, but also to use the technique to construct a model of the "as-is" state in

Art Unit: 3624

order to understand the process and measure the variation that takes place in key performance measures."

Any inquiry concerning this communication or earlier communications from the examiner should be directed to SCOTT L. JARRETT whose telephone number is (571)272-7033. The examiner can normally be reached on Monday-Friday, 8:00AM - 5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Bradley Bayat can be reached on (571) 272-6704. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Scott L Jarrett/  
Primary Examiner, Art Unit 3624